Alberta Economy

Indicators at a Glance

NEW: Economic Activity

The Alberta Activity Index (AAX) was up 3.7% year-over-year (y/y) in November and is up 5.2% year-to-date. Alberta's real GDP by expenditure fell by 3.7% in 2016, the largest drop among the provinces for the second year in a row.

Population

Alberta's population was 4,306,039 as of October 1, 2017, an increase of 1.3% from the year prior. Canada's population grew 1.3% from a year ago.

Migration

Net migration to Alberta was 11,106 in the third quarter of 2017. During this time, Alberta welcomed 10,363 net international migrants, while there was a net inflow of interprovincial migrants (+743) for the first time in eight quarters.

Employment[1]

The economy added 20,400 jobs in December, mostly in self-employment and the private sector. Employment increased 2.4% y/y, reflecting employment gains in both the goods (+5.0% y/y) and services (+1.6% y/y) sectors.

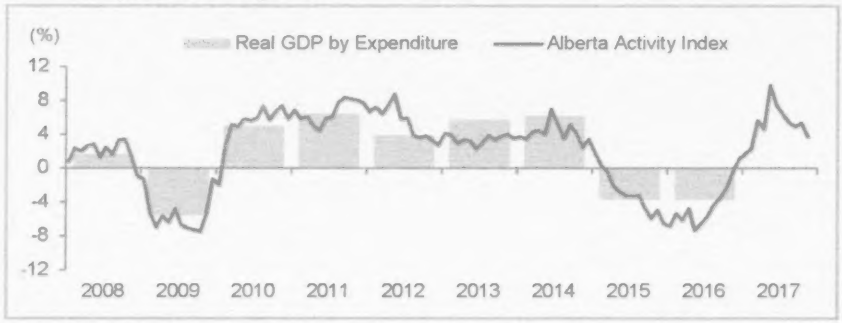
Unemployment Rate[1]

Alberta's unemployment rate fell 0.3 percentage points to 7.0% in December. Canada's unemployment rate declined 0.1 percentage points to 5.8%.

NEW: Rigs Drilling

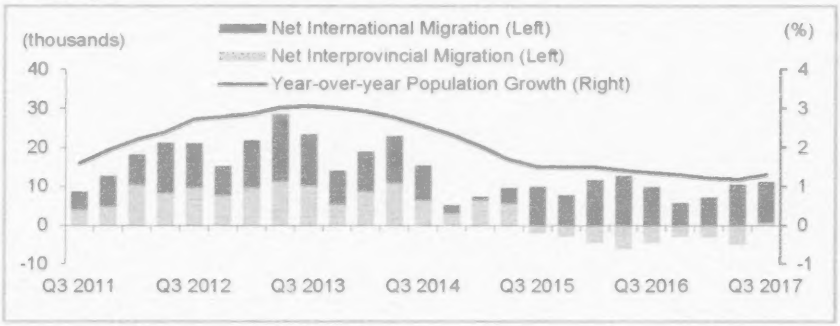
The number of active rigs in Alberta averaged 197 in January, down 0.9% y/y. The average rig utilization rate was 47%, up from 44% a year ago.

Economic Activity
Year-over-year % change



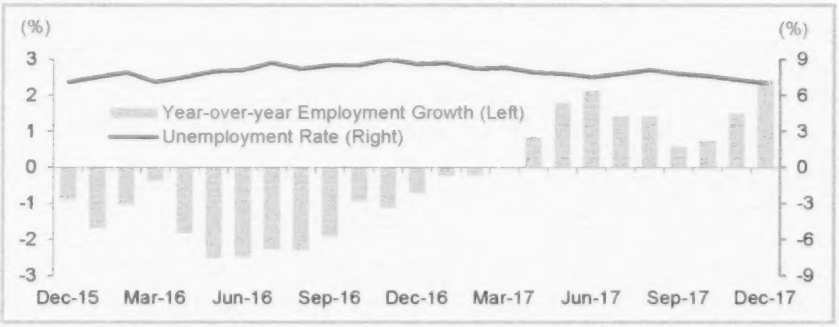
Sources: Statistics Canada and Alberta Treasury Board and Finance

Demographics
Quarterly



Source: Statistics Canada

Labour Market
Monthly



Source: Statistics Canada

Inflation

The Alberta Consumer Price Index (CPI) dipped by 0.5 percentage points to 2.0% y/y in December and is reflective of broad based price declines. Excluding food and energy prices, core inflation also fell by 0.3 percentage points to 1.1% y/y.

Average Weekly Earnings[1]

Average weekly earnings (AWE) in Alberta ticked up by 0.3% m/m in November to $1,144. Earnings increased 2.5% y/y as gains in services sector earnings more than offset declines in the goods sector.

Retail Sales[1]

Alberta retail sales fell 0.3% m/m to $6.8 billion in November. Retail sales are up 7.4% y/y, the twelfth consecutive month of year-over-year gains.

Housing Starts[1]

Alberta housing starts decreased 33% m/m in December to 23,104 units (annualized). Housing starts were down 12% y/y, as a gain in single-family starts (+7.8% y/y) was more than offset by a drop in multi-family starts (-33% y/y).

New Housing Price Index

In November, Alberta's New Housing Price Index (NHPI) rose by 0.4% y/y, with both land (+0.4% y/y) and the house-only components (+0.4% y/y) were up.

Building Permits[1]

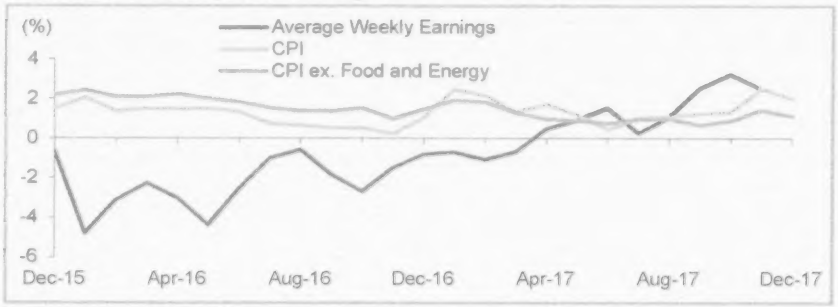
Alberta building permits were up 17% y/y in November to $1.3 billion. Both residential (+15% y/y) and non-residential permits (+20% y/y) were higher than a year ago.

[1] Seasonally adjusted

Contact

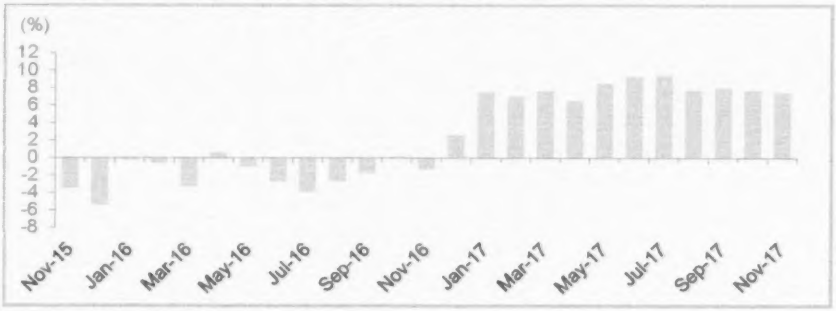
Daniel Letcher 780.427.8845

Inflation and Earnings
Monthly, year-over-year % change



Source: Statistics Canada

Retail Sales
Monthly, year-over-year % change



Source: Statistics Canada

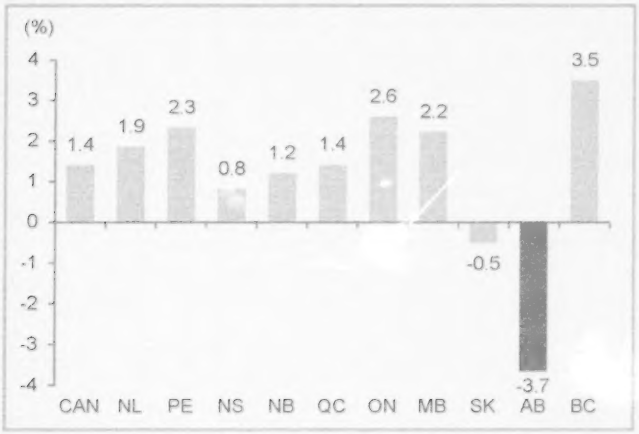
Housing Market
Monthly

Source: Statistics Canada, Canada Mortgage and Housing Corporation

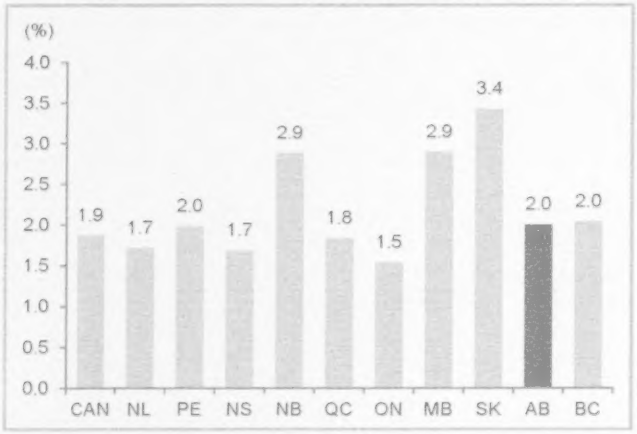
	Canadian Dollar (US¢/$CAN)	WTI Oil ($US/bbl)	NYMEX Natural Gas ($US/MMBtu)	Alberta Reference Price ($C/GJ)
Latest (February 1, 2018)	81.38	64.50	3.00	1.92 (November)
Fiscal year-to-date	77.92	51.86	3.02	1.87

Please see the *Weekly Economic Review* for current analysis on the Alberta economy.

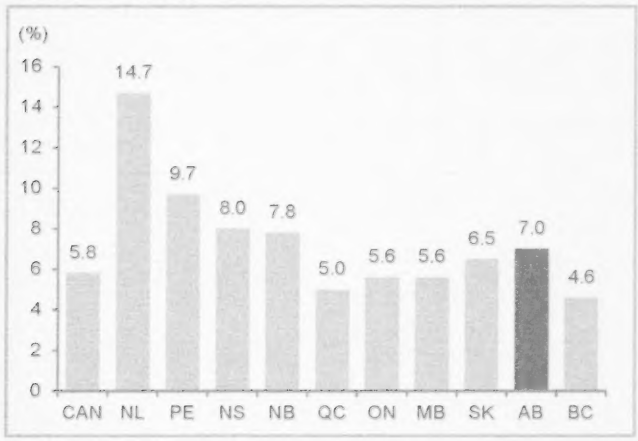
Real GDP by Expenditure
(2016, year-over-year growth)



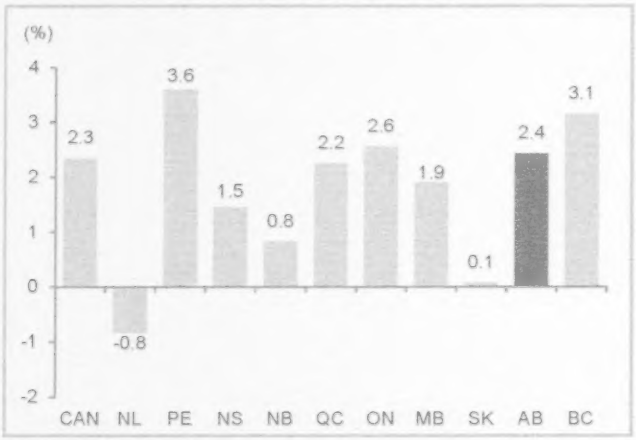
CPI Inflation
(December 2017, year-over-year growth)



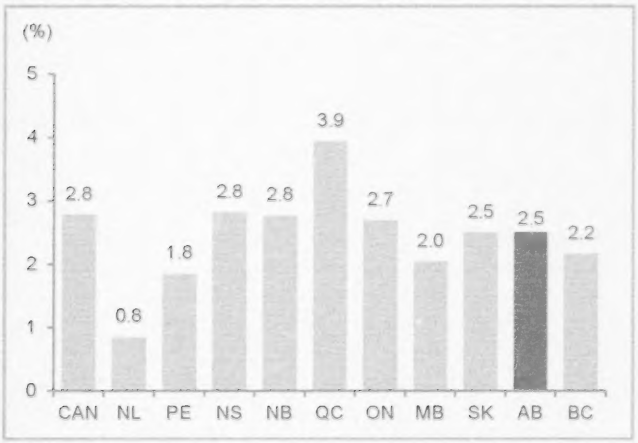
Unemployment Rate
(December 2017)



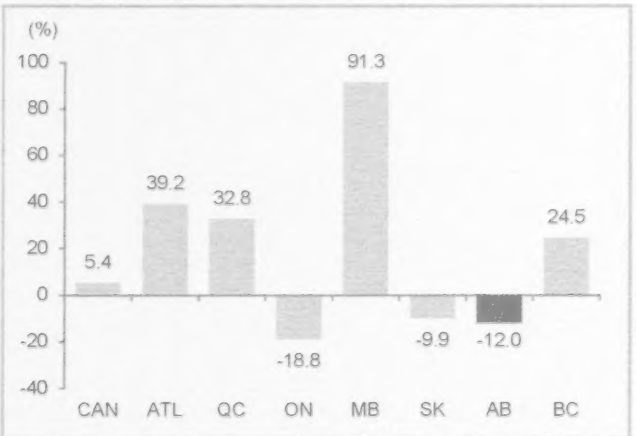
Employment
(December 2017, year-over-year growth)



Average Weekly Earnings
(November 2017, year-over-year growth)



Housing Starts
(December 2017, SAAR, year-over-year growth)



Alberta Economic Indicators

	2016	2017YTD	2018YTD	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18
NEW Alberta Activity Index (y/y % change)	4.4	5.2		5.4	4.9	5.3	3.7		
Population[1]									
Population (thousands)	4,236	4,286	4,306			4,306			
y/y % change	1.4	1.2	1.3			1.3			
Net Interprovincial Migration	-15,106	-15,131	743			743			
Net International Migration	42,102	33,216	10,363			10,363			
Labour Market									
Employment (thousands, SA)	2,264	2,282		2,288	2,282	2,293	2,300	2,320	
m/m change (thousands)				2.6	-5.2	10.5	7.1	20.4	
y/y % change	-1.6	1.0		1.4	0.6	0.8	1.5	2.4	
Unemployment Rate (%, SA)	8.1	7.8		8.1	7.8	7.6	7.3	7.0	
Participation Rate (%, SA)	72.5	72.4		72.5	72.0	72.3	72.1	72.4	
Average Weekly Earnings ($, SA)	1,119	1,127		1,133	1,144	1,140	1,144		
y/y % change	-2.4	0.9		1.1	3.5	3.2	2.5		
Household Sector									
Retail Sales ($ million, SA)	75,110	74,099		6,713	6,754	6,811	6,793		
y/y % change	-1.2	7.9		7.7	8.0	7.8	7.4		
New Vehicle Sales (units, thousands)	224	232		22	23	20	19		
y/y % change	-7.6	12.1		18.4	9.8	17.4	0.7		
Consumer Price Index (y/y % change)	1.1	1.6		1.1	1.3	1.3	2.5	2.0	
Excluding Food & Energy	1.7	1.1		1.0	0.7	0.9	1.4	1.1	
Housing Starts (SAAR, 000's)	24.5	29.3		26.2	29.2	29.7	34.6	23.1	
y/y % change	34.2	19.3		31.6	2.7	16.4	37.3	-12.0	
New Housing Price Index (y/y % change)	0.5	-0.2		0.1	0.3	0.4	0.4		
Resale Home Sales	52,166	57,170		4,600	4,681	4,578	4,920	5,579	
y/y % change	-7.6	9.6		5.5	4.9	5.9	16.2	22.5	
Sales to New Listing Ratio	0.49	0.49		0.47	0.48	0.47	0.52	0.57	
MLS Average Resale Prices ($ thousands)	395	398		395	393	399	388	386	
y/y % change	0.4	0.9		0.5	1.5	0.9	-2.6	-4.0	
NEW Consumer Bankruptcies (level)	5,427	4,858		450	404	450	403		
y/y % change	26.8	-7.3		3.5	11.8	3.3	13.3		
Business Sector									
Goods Exports (customs based,$ million)	78,905	91,095		8,133	7,452	8,499	8,415		
y/y % change	-14.6	28.3		15.0	6.8	21.0	7.4		
Energy Products ($ million)	51,537	68,153		5,738	5,027	5,828	5,799		
y/y% change	-17.5	37.3		18.9	6.0	25.6	5.2		
Agricultural Products ($ million)	6,284	6,709		520	496	741	663		
y/y % change	2.9	17.1		19.2	4.8	35.3	8.6		
NEW Rigs Drilling	79	131	197	126	127	133	143	155	197
y/y% change	34.0	66.0	-0.9	66.8	59.7	31.3	32.4	2.9	-0.9
Manufacturing Shipments ($ million, SA)	62,703	64,852		5,880	5,873	5,996	6,071		
y/y% change	-8.0	13.5		9.7	10.5	13.7	10.4		
Wholesale Trade ($ million, SA)	71,765	72,579		6,664	6,695	6,788	6,788		
y/y% change	-9.6	10.6		10.6	14.0	15.0	14.2		
Building Permits ($ million, SA)	14,200	12,511		1,153	1,320	1,006	1,264		
y/y% change	-15.2	6.4		5.4	11.7	-50.5	17.3		
Residential Permits ($ million, SA)	7,930	7,536		770	695	601	691		
y/y % change	-19.7	0.9		29.8	-0.5	-56.1	14.9		
Non-Residential Permits ($ million, SA)	6,270	4,975		373	624	404	573		
y/y% change	-8.8	-15.7		-24.3	29.4	-38.9	20.5		
Non-Res. Building Cons. Price Index[2] (y/y % change)	-2.8	0.2			0.9				

[1] Population data presented on a census year basis (July 1– June 30). The current census year 2017.

[2] Quarterly, average of Calgary and Edmonton

YTD YTD (year-to-date). "SA" denotes seasonally adjusted. "SAAR" denotes seasonally adjusted at annual rate.

Sources: All data is from Statistics Canada except the Alberta Activity Index (Alberta Treasury Board and Finance), Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canadian Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (Office of the Superintendent of Bankruptcy Canada).All historical data are subject to revision